

Message Text

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51

ACTION EB-11

INFO OCT-01 AF-10 EUR-25 ADP-00 L-03 AGR-20 COME-00 H-02

CIAE-00 INR-10 NSAE-00 RSC-01 TRSE-00 OMB-01 OPIC-12

RSR-01 /097 W

----- 051412

R 120955 Z APR 73

FM AMEMBASSY DAR ES SALAAM

TO SECSTATE WASHDC 2918

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY THE HAGUE

AMEMBASSY KAMPALA

AMEMBASSY LONDON

AMEMBASSY NAIROBI

AMEMBASSY ROME

C O N F I D E N T I A L DAR ES SALAAM 1239

E. O. 11652: XGDS, DECLAS 12/31/99

TAGS: EAGR, ETRD, TZ

SUBJECT: FORWARD SISAL CONTRACT REPUDIATIONS

REF: (A) DAR ES SALAAM 1201; (B) STATE 064679

1. FURTHER DIGGING INTO SISAL SITUATION HAS REVEALED FOLLOWING:
WEST GERMAN COUSELLOR ADVISED CHARGE APRIL 12 FRG NOT RPT NOT
TO MAKE DEMARCHE TO TANGOV CONCERNING EX POST FACTO INCREASE
IN PRICE FORWARD SISAL CONTRACTS BECAUSE IN OPINION FRG
SUCH INCREASES SPECIFICALLY PROVIDED FOR IN STANDARD EAST AFRICAN
SISAL AND/ OR TOW CONTRACTS. UNDER PARA TEN, FORCE MAJEURE OF
SUCH CONTRACTS THERE IS SENTENCE WHICH READS, " SHOULD GOVERNMENT
IMPOSE MINIMUM EXPORT PRICE CONTROL AFTER CONTRACT HAS BEEN
MADE AND THE MINIMUM EXPORT PRICE IS HIGHER THAN CONTRACTED,
BUYER TO HAVE THE OPTION OF EITHER TAKING ANY UNSHIPED
PORTION OF THE CONTRACT AT THE INCREASED PRICE NECESSARY
TO EXPORT OR SHALL BE ENTITLED TO CANCEL SUCH UNSHIPED
PORTION WITHOUT PENALTY, SUCH OPTION TO BE EXERCISED
WITHIN 10 DAYS FROM LAST BUYER' S RECEIPT OF SELLER' S
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NOTIFICATION, WHICH MUST BE PASSED ON WITHOUT DELAY".

2. IF ORIGINAL CONTRACT INCLUDED SENTENCE QUOTED ABOVE,
BELIEVE FRG INTERPRETATION PROBABLY ACCURATE AND US
DEMARCHE TO TANGOV INAPPROPRIATE. HOWEVER, IF BRITISH
FIRM' S CONTRACT WITH U. S. FIRMS DID NOT INCLUDE
SUCH FORCE MAJEURE CLAUSE, U. S. FIRMS MAY HAVE VALID
CLAIM AGAINST BRITISH FIRM.
BEYER

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*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973DARES01239
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: RR
Errors: n/a
Film Number: n/a
From: DAR ES SALAAM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730447/aaaaisnm.tel
Line Count: 77
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 DAR ES SALAAM 1201, 73 STATE 064679
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Review Comment: n/a
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Review Event:
Review Exemptions: n/a
Review History: RELEASED <06-Aug-2001 by willialc>; APPROVED <06-Sep-2001 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

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Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 980126
Subject: FORWARD SISAL CONTRACT REPUDIATIONS
TAGS: EAGR, ETRD, TZ
To: BONN
BRUSSELS
EB
KAMPALA
LONDON
NAIROBI
ROME

SECSTATE WASHDC

THE HAGUE

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005